

*The factual information set forth on the Tracking Charts was submitted to the FLA by each Independent External Monitor and Participating Company and reviewed by FLA staff. It is being made available to the public pursuant to the FLA Charter in order to strengthen the monitoring process. The FLA Charter provides for regular public disclosure of the factual results of independent monitoring and the resulting specific actions taken by Participating Companies.*

### What is a Tracking Chart?

Compliance is a process, not an event. A Tracking Chart outlines the process involved in FLA independent external monitoring and remediation. It is used by the accredited independent external monitor, the participating company and the FLA staff to do the following:

- **Record Findings:** The independent external monitor uses the Tracking Chart to report noncompliance with FLA Code standards. The monitor should also cite the specific Code benchmark or national/local law that was used to measure compliance.
- **Report on Remediation:** The FLA participating company uses the Tracking Chart to report on the remediation program that was implemented in order to resolve the noncompliance and prevent any future violations.
- **Evaluate Progress:** The FLA uses the Tracking Chart for purposes of collecting and analyzing information on the compliance situation of a particular factory and for publication on our website. This information is updated on an ongoing basis.

### What a Tracking Chart is NOT -

- An exhaustive assessment of factory conditions

Working conditions - in any type of workplace - are dynamic. Each Tracking Chart represents a survey of the factory's conditions on a specific day. Over time, a fuller picture emerges as we compile information from various sources to track the compliance progress of a factory.

- A pass or fail evaluation

The Tracking Charts do not certify whether or not factories are in compliance with the FLA Code. Monitoring is a measurement tool. The discovery of noncompliance issues is therefore not an indication that the participating company should withdraw from a factory. Instead, the results of monitoring visits are used to prioritize capacity building activities that will lead to sustainable improvements in the factory's working conditions.

- A one-time event

Each monitoring visit is followed by a remediation program, further monitoring and remediation in an ongoing process. The Tracking Charts are updated accordingly.

**Note on Language**

Please be advised that because FLA independent external monitors are locally-based and English is generally not their native language, the language presented may at times appear unclear to a reader who is a native English speaker. In order to preserve the integrity of the transparency process and the information we receive, our policy is to publish the original text from the monitor and participating company. However, the reader will note that we have taken the precaution to remove any identifying information about the factory that was monitored or the workers interviewed.

For example, in cases where monitors and/or participating companies have cited the actual number of workers in reference to a noncompliance issue, in order to protect the workers' identities, we have replaced the numbers with generic wording in brackets (i.e. "[some]", "[worker interviews revealed that]",etc.).

We do not disclose the name of the factory that was monitored in order to ensure that the FLA's efforts to encourage and reward transparency do not have detrimental consequences for the factory and the workers.

**Instructions for Printing**

The information contained in the Tracking Charts is organized by columns and rows in a table format. Due to the number and width of the columns, the charts have been formatted for legal size (8.5 x 14in.) paper. To print the charts, please make sure to select "legal" size paper from Print properties.

FLA Audit Profile																
Country	Thailand															
Factory name	05027474D															
ITEM	Kenan Institute Asia															
Date(s) in facility	29-30 August 2005															
PC(s)	Eddie Bauer, Liz Claiborne, Inc.															
Number of workers	746															
Product(s)	Apparel															
Production processes	Cutting, Sewing, Ironing, Inspection and Packing															
FLA Code/ Compliance issue	Country Law/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	ITEM Findings Evidence of Non-compliance (uncorroborated)	If not corroborated, explain why	Sources/Document allon	Notable Features Implemented by Factory Management or Company	PC Internal audit findings (Optional)	PC Remediation plan	Remediation Target Completion Date	Factory Response (Optional)	Company follow up (Cite date of follow up) PC follow-up visit. (11/23/2005)	Documentation	[Status]	Updates (Cite Date of Follow up)
1. Code Awareness																
Worker/management awareness of Code	Nil	FLA Principle of Monitoring, Obligation of Companies: Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.	Nil	Most of workers interviewed are not aware of codes of conduct. They also informed that they had been never provided training on codes of conduct. However, the training records show that the workers were trained in codes of conduct and the codes were posted in the public area accessible to all workers.			Workers interviewed and training records reviewed.			Factory should reinforce its training on the Code standards for all employees. Training on workers' rights and protections under the Code should be included in the new hire orientation as well as conducted on a periodic basis.			Training reinforced on Oct1, 2005 for all workers.	Training materials list	Completed	
2.Forced Labor																
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise																
3. Child Labor																
No person will be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.																
Legal compliance for juvenile workers	Nil	Employers will comply with applicable laws that apply to young workers, i.e. those between the minimum working age and the age of 18, including regulations relating to hiring, working conditions, types of work, hours of work, proof of age documentation, and overtime	Nil	There is historical of hiring worker under age of 18, since the worker who was born in Jan/1987 and employed to work in Oct/2004, the worker was not at least 18 years old at that time; besides, the worker has worked overtime during Nov/04 to Dec/04 which was in comply the law requirements. Therefore, the worker is now completed 18 years old.			Employees register file. Worker personnel file and time records reviewed and worker interviewed			The factory employment process should include an age verification procedure, and copies of proof-of-age documentation should be maintained in each employee's personnel file.			No young workers employed by factory. Revised hiring and age verification policy established.	Hiring and age documentation policy, employee files	Completed	
4. Harassment or Abuse																
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment of abuse.																
Freedom of Movement	Nil	Employers will not unreasonably restrain freedom of movement of workers, including movement in canteen, during breaks, using toilets, accessing water, or to access necessary medical attention	Workers in building 1 & 2 have to take the permission cards from their line leader when they access toilet and drinking water at all times.	Nil			Workers and personnel staff interviewed, visual inspection			Employees should have access to toilet facilities or drinking water at all times, and need not seek permission. The factory should issue a notice (to be posted in prominent areas of the factory) to inform the workers that the permission cards policy to gain access to the toilet and drinking waters will be abolished.			Interviews with management, supervisors and workers confirm that the pass system no longer exists.	Mgmt and workers interviews	Completed	
Absence of policy	Nil	Nil	Nil	No harassment or abuse policy.			Personal staff interviewed and document reviewed			Factory regulations should include a policy on harassment/abuse.			Written policy maintained	Written policy	Completed	
5. Nondiscrimination																
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.																
Hiring Discrimination Practices	Nil	Employment decisions will be made solely on the basis of education, training, demonstrated skills or abilities. All employment decisions will be subject to this provision. They include: hiring, job assignment, wages, bonuses, allowances, and other forms of compensation, promotion, discipline, assignment of work, termination of employment, provision of retirement	There are questions about race, religion and military status in the application form. Besides, employee job descriptions stated in some position are limited to age and sex. For example, sewing supervisors and operation officers are limited age and sex (accepted only female, age over 25).	Nil			Factory's application form and employee job description reviewed			Factory employment applications and recruitment must not be restricted due to gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social/ethnic origin. All employment decisions must be made on the basis of the skills and abilities of the applicant to perform the job required.			References to race, military status removed from new application forms. Non-discriminatory hiring policy maintained.	Written policy. Revised application forms.	Completed	
6. Health and Safety																
Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities																
Fire Safety Health and Safety legal compliance	The Notification of Ministry of Interior Re: working safety relation to protection and prevention of fire for employees. Chapter 3	Employer will comply with applicable health and safety laws and regulations. In any case where laws and code of conduct are contradictory, the higher standards will apply. The factory will possess all legally required permits	2 fire extinguishers in warehouse are out of order.	Nil			Visual inspection			Ensure that all fire extinguishers in the factory are operational.			All fire extinguishers tags attached to fire extinguishers viewed were operational. System in place for monthly checking of fire extinguishers.		Completed	
PPE	The Notification of the Ministry of Interior RE: Working Safety relating to Harmful Chemicals, Chapter 2, Clause 21.	Workers shall wear appropriate protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to hazardous elements including medical waste.	The factory did not provide goggles to workers who worked with chemical.	Nil			Worker interviewed, visual inspection			Factory should provide workers with appropriate Personal Protective Equipment (PPE) required to prevent injuries in the performance of their job. Training should be provided to workers in the use and maintenance of PPE. Mandatory PPE-usage signs should be posted in appropriate areas.			PPE used by workers. Signage posted on work floor. PPE usage and training provided to workers.	Training materials	Completed	
Chemical Management	The Notification of the Ministry of Interior Re: Working Safety relating to Harmful Chemicals, Chapter 1, Clause 17.	All chemicals and hazardous substances should be properly labeled and stored in accordance with applicable laws. Workers should receive training, appropriate to their job responsibilities, in the safe use of chemicals and other hazardous substances	The factory did not provide training about working safely with chemical to the workers who worked with chemical.	Nil			Worker and personnel staff interviewed			Workers should receive training, appropriate to their job responsibilities, in the safe use of chemicals and other hazardous substances.			Chemical usage/storage training provided to workers	Training materials	Completed	
Number of drinking point - number of workers ratio	The Notification of Ministry of Interior Re: sanitary welfare for employees. Clause 1	Nil	The number of drinking water point is inadequate when compare with the number of workers. The factory had 746 workers with 11 drinking points only which is violation of the legal requirement, there will be at least 16 drinking points as the minimum of the law limits.	Nil			Visual inspection			Factory should provide sufficient drinking water facilities for the factory workforce, as per local legal requirements.			5 more drinking facilities installed	Visual observation	Completed	

IEM Findings											Remediation		[Status]		Updates (Cite Date of Follow up)		
FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	Evidence of Non-compliance (uncorroborated)	If not corroborated, explain why	Sources/Document ation	Notable Features implemented by Factory Management or Company	PC Internal audit findings (Optional)	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Cite date of follow up) PC follow-up visit. (11/23/2005)	Documentation	Completed; Pending; On going	Company Follow up	Documentation
PPE Sign	Nil	Workers shall wear appropriate protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to hazardous elements including medical waste.	No PPE sign or symbol installed in the workplace where required the worker use the PPE; for example, in the cleaning room.	Nil			Visual inspection			Factory should provide workers with appropriate Personal Protective Equipment (PPE) required to prevent injuries in the performance of their job. Training should be provided to workers in the use and maintenance of PPE. Mandatory PPE-usage signs should be posted in appropriate areas.			PPE used by workers. Signage posted on work floor. PPE usage and training provided to workers.	Training materials	Completed		
<b>7. Freedom of Association and Collective Bargaining</b>																	
Employers will recognize and respect the right of employees to freedom of association and collective bargaining																	
Awareness of welfare committee	Nil	Nil	Nil		From the worker interview, some workers said the factory has welfare committees which were elected by the workforce, but some workers said they do not know the exact roles of welfare committee as well never voted as general process. However, the chairman of welfare committee informed that the committees were elected by the workers according to law as well as the topic of welfare committee has been raised during the orientation.		Workers Welfare committee interviewed,			Factory should reinforce its training of workers on the responsibilities and activities of the welfare committee.			Activities and related news of welfare committee communicated to workers by posting relevant information in facility	Written information on notice board	Completed		
<b>8. Wages and Benefits</b>																	
Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits																	
<b>9. Hours of Work</b>																	
Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period																	
Overtime Limitations	The Ministerial Regulation Issue 3 (B.E. 2541) issue under the Labor Protection Act B.E. 2541 The number hours of overtime referred to Section 24 Paragraph one and holiday working hours referred to Section 25 Paragraph two and three shall not, in any one week exceed 36 hours (Holiday working hours shall include number of hours of overtime on holidays.)	Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts	The attendance records from August, 04 Nil to July, 05 were reviewed and it was revealed that some workers worked overtime exceeding 12 hours per week in the previous 12 months and some workers also work consecutively 7 days without rest in Sept'04, Nov'04, Dec'04, Jan'05, Feb'05, May'05 and Jun'05. Moreover, it was detected that overtime exceeded 36 hours per week (worked to 38 hours per week, included Sunday work 8 hours) which is a violation of the legal limits.	Nil			Time records and payroll records reviewed, workers interviewed			Factory must demonstrate a commitment and action plan to maintain working hours within the Code and legal limits. Workers shall be entitled to a day of rest in every 7, day period.			Hours of work still exceed 60 per week for months of Oct and Nov 2005. Factory will propose CAP by end of 2005 to reduce and monitor hours of work.	Time records	Pending	Factory submitted a proposal in January to reduce working hours, which consisted of: adding employees and more production lines; increasing efficiency; improving quality control; and improving maintenance of machinery. Since January, the PC has monitored the factory's working hours on a monthly basis. As of September 2006, the factory's working hours have been in compliance since May. A full audit is planned for Nov 2006.	
<b>10. Overtime Compensation</b>																	
In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws will not exist, at a rate at least equal to their regular hourly compensation rate.																	
OT Compensation Awareness	Nil	Workers shall be informed about overtime compensation rates, by oral and printed means	Nil		New workers did not know how to calculate the overtime wage.		Worker interviewed			Employees should be informed on the calculation of overtime wages, through oral and printed means. Payroll slips should include details on overtime compensation rates.			OT calculation info posted in facility	Written info	Completed		
Sick leave	(Thai Labor Protection Act BE 2541 Chapter 2, Section 32, stated that The employee shall be entitled to take sick-leave for such days as the employee is actually ill. If sick-leave is taken for three or more working days, the employer may require that the employee produce an medical certificate form a first class modern physician or from a government clinic. If the employee cannot produce a medical certificate from a first class modern physician or from a government clinic, the employee shall give an explanation to the employer.	Nil	Nil	Nil	Workers informed they required to submit the medical certification for only 1 or 2 days of sick leave. If not, the workers are also required to present the personal leave letter to the supervisor and were not compensated their wage, so that, it depends on the supervisor consideration case by case. However, from leave record and payroll record reviewed, it was showed that worker who did not submit the medical certification has compensated the wage on his/her sick leave taken day.	The leave records was revealed that most of workers submit the medical certificate when she took any kind of sick leave to ensure that they will be compensated their wages in that day.	Worker interviewed			The factory should adopt a sick leave policy and leave application process in accordance with local labor law. As per local law, employees are entitled to take sick leave for as many days as the employee is ill. If sick-leave is taken for three or more working days, the employer may require that the employee produce anmedical certificate form a physician or from a government clinic. If the employee cannot produce a medical certificate form a physician or from a government clinic, the employee shall give an explanation to the employer. The factory's sick leave policy should be documented and communicated to all levels of the factory			Sick leave policy revised in accordance with local law. Revised policy posted.	Written info	Completed		
<b>Miscellaneous</b>																	
Unauthorized subcontracting	Nil	Nil		The factory used subcontractor for washing process without approval from PC.	Nil		Management interviewed and document reviewed.			While the PCs do not issue approval letters for washing facilities, the factory is required to disclose to the PCs the name and location of the subcontractor used for the washing process.							